(vii) Training and inter-State study tour of farmers.

For promotion of aquaculture, the following thrust areas have been identified by the MPEDA:

I. Bringing additional area under culture; and

II. Making acquaculture sustainable through (i) disease prevention and control through food farm and health management; and (ii) environmental management and eco-friendly farming practices.

(e) A target of US $ 1300 million has been fixed for export of marine products from India during 2004-05.

Extension of political risk cover for FDI and overseas projects

1769. SHRI S.P.M. SYED KHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are considering to extend political risk cover for FDI and the projects abroad;

(b) if so, the details thereof; and

(c) by when a decision would be taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) Overseas Investment Insurance Scheme operated by the Export Credit Guarantee Corporation Ltd., a Government of India enterprise, provides protection for Indian Investments abroad. Investment made by way of equity capital or untied loan for the purpose of setting up or expansion of overseas projects is eligible for cover under the Overseas Investment Insurance Scheme. The risks of war, expropriation and restriction on remittances are covered under this scheme.

Foreign capital investment

t1770. SHRI MOTILAL .VORA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Prime Minister has invited the Non-Resident Indians to invests in India;

† Original notice of the question was received in Hindi.

(b) the steps being taken by Government to increase the foreign capital investment;

(c) whether Government have sought any information from the Indian businessmen and Non-Resident Indians on the problems being faced by them in the capital investment;

(d) if so, the details thereof and the steps taken by Government to solve the same; and

(e) the reasons for lesser investment by Japan?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Yes, Sir.

(b) The Government has put in place a liberal and transparent Foreign Direct Investment (FDI) policy wherein FDI up to 100% is permitted in most sectors/activities under the automatic route. The FDI policy is also applicable to investments by Non-Resident Indians (NRIs). In addition, the extant policy permits FDI up to 100% by NRIs in housing and real estate and domestic airlines. The FDI policy and procedures are reviewed on an ongoing basis for progressive liberalisation and removal of any bottlenecks.

(c) and (d) The Government periodically interacts with Indian and foreign investors, which include NRIs. The NRIs have also been urged to make recommendations on how to increase investment into India. The Government has recently established an Investment Commission to interact with both domestic and foreign investors to attract higher investments.

(e) FDI depends upon a number of factors, both internal and external, such as the macro-economic environment in the host economy, global economic environment, corporate strategy of transnational corporations and economic environment in other economies competing for FDI. Inflow from Japan into India has been US$ 1.86 billion during 1991 to September, 2004. Japan ranks 3rd in terms of top investing countries in India.

Decline in Indo-Russia Trade

† 1771. SHRI PYARELAL KHANDELWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that steep fall had been registered in Indo-Russia trade during the last few years;

† Original notice of the question was received in Hindi.